

**CITY COUNCIL OF THE CITY OF SAN DIEGO  
SUPPLEMENTAL DOCKET NUMBER 3  
FOR THE REGULAR MEETING OF  
MONDAY, JUNE 27, 2005 AT 2:00 P.M.  
CITY ADMINISTRATION BUILDING  
COUNCIL CHAMBERS – 12<sup>TH</sup> FLOOR  
202 “C” STREET  
SAN DIEGO, CA 92101**

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**ADOPTION AGENDA, CONSENT ITEMS  
RESOLUTIONS:**

\* ITEM-S414: Filipino American Educators Association of San Diego County Day.

**COUNCILMEMBER YOUNG’S AND COUNCILMEMBER FRYE’S  
RECOMMENDATION:**

Adopt the following resolution:

(R-2005-1384)

Honoring, commending, and thanking the Filipino American Educators Association of San Diego for their commitment to improving the quality of life for all Filipino Americans;

Proclaiming June 25, 2005, to be “Filipino American Educators Association of San Diego County Day” in the City of San Diego.

**ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS**  
**RESOLUTIONS:**

ITEM-S415: First Amendment to Agreement with Luce, Forward, Hamilton & Scripps to Provide Support to Vinson & Elkins with Respect to the Ongoing Financial Investigation and Audit of the City's FY 2003 Financial Statements.

**CITY MANAGER'S RECOMMENDATION:**

Adopt the following resolution:

(R-2005-1386)

Authorizing the expenditure of an amount not to exceed \$150,000 for Luce Forward's legal support to Vinson & Elkins, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

**CITY MANAGER SUPPORTING INFORMATION:**

The City previously retained the law firm of Luce, Forward, Hamilton & Scripps, LLP (Luce Forward) to provide support to Vinson & Elkins in the preparation of an internal report on the City's securities disclosure practices from 1996 through the present.

Pursuant to accounting standards and practices, the City needed to conduct additional investigation beyond the scope of the Vinson & Elkins Report on Investigation to address issues relating to the financial statements. The additional investigation was necessary because the City's and KPMG's obligations with respect to allegations of illegal conduct in the context of an audit are broader than the investigation and reporting on federal disclosure law violations, the purpose for which the Vinson & Elkins Report was commissioned.

V&E was retained to perform the additional investigation by the City Manager. Luce Forward prepared a report, and continues to provide needed support to V&E.

Irvine

Aud. Cert. 2500904.

Staff: Lisa Irvine – (619) 236-6070  
Maria Severson – Deputy City Attorney

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)  
RESOLUTIONS: (Continued)

ITEM-S416: Report Regarding Status of Outside Counsel Representation of Individual City Employees and Officials Regarding the Financial Disclosures and Pension Investigation.

(See City Attorney Report dated 6/27/2005.)

**CITY ATTORNEY'S RECOMMENDATION:**

Adopt the following resolution:

(R-2005-1363)

Accepting the City's Report regarding outside counsel representation of individual City employees and officials regarding the financial disclosures and pension investigation.